



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Adopt Resolution Authorizing the City Manager to Execute Professional Services Agreement for Transmission Grid Intertie Support with Flynn RCI of Discovery Bay (\$225,000)

**MEETING DATE:** April 2, 2014

**PREPARED BY:** Electric Utility Director

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**RECOMMENDED ACTION:** Adopt a resolution authorizing the City Manager to execute a professional services agreement for transmission grid intertie support with Flynn RCI of Discovery Bay in an amount not to exceed \$225,000.

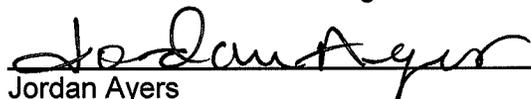
**BACKGROUND INFORMATION:** In August, 2011 the City Council approved a Professional Services Agreement (PSA) with Mike Keller Consulting LLC for transmission and distribution services. This agreement was extended by the Council in September 2012 without increasing the net compensation.

The consultant completed the distribution services to the satisfaction of staff. Additional transmission services are needed, however the consultant informed staff when the funding for the existing PSA had been exhausted he would like to terminate the contract. The funds are scheduled to run out by the end of March 2014.

Transmission services related to the 230 kV Interconnection Project are still needed. Staff interviewed three consultants for this work and now recommends executing a PSA with Flynn RCI in an amount not to exceed \$225,000. The Risk Oversight Committee received a report on this agenda item and recommended City Council approval.

**FISCAL IMPACT:** No additional funding is required.

**FUNDING AVAILABLE:** Included in FY2013/14 Budget Account No. 161076.

  
Jordan Ayers  
Deputy City Manager/Internal Service Director

  
Elizabeth A. Kirkley  
Electric Utility Director

EAK/lst

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**APPROVED:**   
Stephen Schwabauer, Interim City Manager

**AGREEMENT BETWEEN THE CITY OF LODI AND  
FLYNN RESOURCE CONSULTANTS INC.  
FOR PROFESSIONAL SERVICES (ELECTRIC UTILITY)**

This Agreement is entered into on this \_\_ day of April, 2014, ("Agreement") by and between the CITY OF LODI, a municipal corporation ("CITY"), and FLYNN RESOURCE CONSULTANTS INC., a California corporation, located at 5440 Edgeview Drive, Discovery Bay, CA 94505 ("CONSULTANT").

**RECITALS**

The following recitals are a substantive portion of this Agreement:

- A. CITY intends to participate in energy (gas & electric) technical, regulatory, and legislative processes ("Project") and desires to engage a consultant to assist CITY staff in energy (gas & electric) technical, regulatory, and legislative processes in connection with the Project ("Services").
- B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.
- C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit "A", attached to and made a part of this Agreement.

**AGREEMENT**

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree:

**SECTION 1. SCOPE OF SERVICES.**

CONSULTANT shall perform the Services described in Exhibit "A" in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

**SECTION 2. TERM.**

The term of this Agreement commences on April 2, 2014 and terminates upon the completion of the Scope of Services or on April 2, 2019, whichever occurs first unless terminated earlier pursuant to Section 19 of this Agreement.

At its option, CITY may extend the terms of this Agreement for an additional two (2) years; provided, CITY gives CONSULTANT no less than thirty (30) days written notice of its intent prior to expiration of the existing term. In the event CITY exercises any option under this paragraph, all other terms and conditions of this Agreement continue and remain in full force and effect.

The total duration of this Agreement, including the exercise of any option under this paragraph,

shall not exceed seven (7) years.

**SECTION 3. SCHEDULE OF PERFORMANCE.**

Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

**SECTION 4. NOT TO EXCEED COMPENSATION.**

The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Two Hundred Twenty Five Thousand Dollars (\$225,000). The applicable rates and schedule of payment are set out in Exhibit "B-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "B". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

**SECTION 5. INVOICES.**

In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the Services performed and the applicable charges (including an identification of personnel who performed the Services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT's applicable billing rates (set forth in Exhibit "B-1"). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the CITY's Project Manager at the address specified in Section 13 below. The CITY will generally process and pay invoices within thirty (30) days of receipt.

**SECTION 6. QUALIFICATIONS/STANDARD OF CARE.**

All of the Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.

All of the Services to be furnished by CONSULTANT under this Agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

**SECTION 7. COMPLIANCE WITH LAWS.**

CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

**SECTION 8. ERRORS/OMISSIONS.**

CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors, omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.

**SECTION 9. COST ESTIMATES.**

If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY's stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the Project design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

**SECTION 10. INDEPENDENT CONTRACTOR.**

It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

**SECTION 11. ASSIGNMENT.**

The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written consent of the City Manager or designee. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the City Manager or designee will be void.

**SECTION 12. SUBCONTRACTING.**

CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City Manager or designee. CONSULTANT shall be responsible for directing the work of any subconsultants and for any compensation due to subconsultants. CITY assumes no responsibility whatsoever concerning compensation. CONSULTANT shall be fully responsible to CITY for all acts and omissions of a subconsultant. CONSULTANT shall change or add subconsultants only with the prior approval of the City Manager or designee.

### **SECTION 13. PROJECT MANAGEMENT.**

CONSULTANT will assign Doug Boccignone as the Project Director to have supervisory responsibility for the performance, progress, and execution of the Services and assignment of key personnel. If circumstances cause the substitution of key personnel for any reason, the appointment of substitute key personnel will be subject to the prior written approval of the CITY's Project Manager. CONSULTANT, at CITY's request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The CITY'S Project Manager is Elizabeth Kirkley, Electric Utility Director, 1331 South Ham Lane, Lodi, California, 95242, telephone (209) 333-6828. The Project Manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate Project Manager from time to time.

### **SECTION 14. OWNERSHIP OF MATERIALS.**

CONSULTANT will retain sole and exclusive ownership of all right, title and interest in its work papers, proprietary information, processes, methodologies, know-how and software and any patent, copyright, trademark, trade secret and other intellectual property rights which existed prior to the delivery of Consultant's Services ("Consultant Property"). To the extent that any work product delivered to the CITY contains Consultant Property, Consultant grants the CITY a non-exclusive, non-assignable, royalty-free license to use it solely in connection with the Services. This Section 14 shall survive termination of this Agreement.

### **SECTION 15. AUDITS.**

CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT's records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

### **SECTION 16. INDEMNITY.**

- 16.1 To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all third party demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys' fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.
- 16.2 Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the active negligence, sole negligence or willful misconduct of an Indemnified Party.
- 16.3 The acceptance of CONSULTANT's Services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

16.4 Notwithstanding Sections 16.1 through 16.3, CONSULTANT shall not be required to indemnify CITY for any liability, loss or damage in excess of the amount of insurance coverage in the professional liability requirements set forth in Section 18 and Exhibit "C".

#### **SECTION 17. WAIVERS.**

The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

#### **SECTION 18. INSURANCE.**

CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "C," with the exception that CONSULTANT is only required to have owned automobile coverage if CONSULTANT owns any automobiles. CONSULTANT and its subcontractors or subconsultants, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies under the terms set forth in "C".

#### **SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.**

- 19.1 The City Manager or designee may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.
- 19.2 CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY.
- 19.3 Upon such suspension or termination, CONSULTANT shall deliver to the CITY's Project Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.
- 19.4 Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the Scope of Services on or before the effective date (i.e., 10 days after giving notice) of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's Services which are of direct and immediate benefit to CITY as such determination may be made by the City Manager acting in the reasonable exercise of his/her discretion. The following Sections will survive any expiration or termination of this Agreement: 14, 15, 16, 19.4, 20, and 24.
- 19.5 No payment, partial payment, acceptance, or partial acceptance by CITY will operate



**SECTION 23. NON-APPROPRIATION.**

This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

**SECTION 24. MISCELLANEOUS PROVISIONS.**

- 24.1 This Agreement will be governed by the laws of the State of California.
  
- 24.2 In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of San Joaquin, State of California.
  
- 24.3 The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.
  
- 24.4 This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.
  
- 24.5 The covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.
  
- 24.6 If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.
  
- 24.7 All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.
  
- 24.8 If, pursuant to this Agreement with CONSULTANT, CITY shares with CONSULTANT personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), CONSULTANT shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform CITY immediately upon learning that there has been a breach in the security of

the system or in the security of the Personal Information. CONSULTANT shall not use Personal Information for direct marketing purposes without CITY's express written consent.

24.9 The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

24.10 This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement.

24.11 CONSULTANT acknowledges that Lodi Municipal Code Section 3.01.020 requires CONSULTANT to have a city business license and CONSULTANT agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

24.12 The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

**SECTION 25. AUTHORITY.**

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF LODI, a municipal corporation

ATTEST:

\_\_\_\_\_  
RANDI JOHL-OLSON

\_\_\_\_\_  
STEPHEN SCHWABAUER  
Interim City Manager

APPROVED AS TO FORM:  
JANICE D. MAGDICH, Interim City Attorney

By: \_\_\_\_\_  


By: \_\_\_\_\_  
Name:  
Title:

**Attachments:**

- |                      |                               |
|----------------------|-------------------------------|
| <b>EXHIBIT "A"</b>   | <b>SCOPE OF SERVICES</b>      |
| <b>EXHIBIT "B"</b>   | <b>COMPENSATION</b>           |
| <b>EXHIBIT "B-1"</b> | <b>HOURLY RATE SCHEDULE</b>   |
| <b>EXHIBIT "C"</b>   | <b>INSURANCE REQUIREMENTS</b> |

**Funding Source:** \_\_\_\_\_  
**(Business Unit & Account No.)**

## EXHIBIT "A" SCOPE OF SERVICES

The CONSULTANT may be asked to perform Services in the following areas:

- A. Monitor and analyze California Independent System Operator ("CAISO"), California Public Utilities Commission ("CPUC"), California Energy Commission ("CEC"), Federal Energy Regulatory Commission ("FERC"), Pacific Gas and Electric ("PG&E") (Grid Planning), Northern California Power Agency ("NCPA"), regional transmission planning groups, and other related agencies' activities, and, based on discussions with Staff, represent the CITY's interests in proceedings.

*As requested, CONSULTANT will monitor, analyze and, represent the CITY's interest in the activities of the CAISO, CPUC, CEC, FERC, PG&E (Grid Planning), NCPA, and other agencies as related to CAISO tariff amendments, grid management charges, congestion charges, transmission access charges, special facility costs, neutrality and other charges and protect the CITY's interests and projects. As requested, CONSULTANT will recommend regulatory strategies for the CITY and positions in proceedings before the FERC, CEC, CPUC, CAISO and other agencies as appropriate.*

*As requested, CONSULTANT will monitor the developing California electricity market design and energy markets, and State and Federal involvement in the electricity industry as they relate to serving electric load in the Central Valley. CONSULTANT will identify the Central Valley Area specific risks for the CITY from locational marginal pricing, local capacity requirements, transmission constraints, and State imposed measures for deliverability, outage coordination, maintenance standards and the use of muni-owned transmission lines and local generation.*

- B. Maintain an ongoing presence at the CAISO to represent the CITY's interests effectively.

*CONSULTANT shall maintain routine and sufficient access to key policymakers and staff at the CAISO to facilitate, upon CITY authorization, effective and efficient representation of the CITY's viewpoints and concerns on Central Valley Area transmission and system operation issues.*

- C. Work with the CITY to establish regulatory and legislative objectives, project progress and utility operational priorities.

*As requested, CONSULTANT will communicate with the CITY staff and develop regulatory and legislative objectives as well as project and operational strategies for the Utility.*

- D. Assist CITY with analysis, improvement and expansion of transmission, distribution, generation, and reliability issues for the CITY and in the Central Valley Area.

*As requested, CONSULTANT will assist the CITY in identifying, developing and promoting cost-effective and long-term solutions for reliability and economic transmission and distribution needs, transmission for renewable resources, local generation, and non-wires solutions. CONSULTANT will assist in efforts to upgrade CITY's transmission interconnection to the grid. CONSULTANT may also recommend economic transmission expansion or other alternatives for the Central Valley Area.*

*As requested, CONSULTANT will perform power flow, short circuit and feasibility studies for electric distribution, transmission, substation, and generation conceptual plans as directed by CITY staff. CONSULTANT will provide technical support to the CITY in coordination with PG&E, CAISO, the Western Area Power Administration, or other agencies as required concerning these plans.*

- E. Assist CITY with issues related to public power and municipal utilities.

*As requested, CONSULTANT will assist the CITY with municipal utility issues including but not limited to jurisdiction, tax-exempt bonds, access to low-cost federal power, renewable energy, energy efficiency/demand response, greenhouse gas regulations including cap and trade, other environmental initiatives, independence in setting rates, local generation evaluation and implementation, Commodity Futures Trading Commission ("CFTC") and Dodd-Frank Act implications and involvement in Joint Powers Authority for investment in generation, transmission and distribution of electricity, and delivery services.*

- F. Assist CITY with issues related to grid reliability standards.

*As requested, CONSULTANT will assist the CITY with requirements for registration and compliance with the North American Electric Reliability Corporations ("NERC") and the Western Electricity Coordinating Council ("WECC") grid reliability standards.*

- G. Provide CITY with other electricity-related services as needed.

*The rapidly developing electricity industry scenario in California may require other advisory services from the CONSULTANT as these needs are identified by CITY staff.*

- H. Assist CITY in coordinated efforts with other municipal utilities.

*As requested, CONSULTANT will assist the CITY in coordinating efforts with other municipal utilities in Northern California on issues such as described in A through G above.*

## **DELIVERABLES**

The deliverables will be determined on a task-by-task basis. Deliverables include one-time written reports, periodic written reports and updates, oral presentations, recommendations and analysis. All reports and written material must be provided to and approved by CITY staff prior to delivery to outside agencies.

## **EXHIBIT "B" COMPENSATION**

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit "B-I".

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit "A" ("Services") and reimbursable expenses shall not exceed \$225,000.00. CONSULTANT agrees to complete all Services, including reimbursable expenses, within this amount. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

### **ADDITIONAL SERVICES**

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's Project Manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit "B-I". The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.

## EXHIBIT "B-I" HOURLY RATE SCHEDULE

Flynn Resource Consultants Inc. hourly rates for professional services are listed below:

Principal	\$270-\$295 per hour
Managing Consultant	\$250-\$270 per hour
Senior Consultant	\$200-\$250 per hour
Consultant	\$170-\$200 per hour
Associate Consultant	\$140-\$170 per hour
Analyst	\$90-\$140 per hour

Reproduction, printing, communications, computer services, and other miscellaneous support services shall be billed at 5% (five percent) of the labor cost for the billing period. This additional "non-labor" cost will be included for each billing period.

All travel, food, and miscellaneous expenses, except automobile mileage, associated with the provision of services hereunder shall be billed at cost. Automobile mileage will be billed at the rate approved by the Internal Revenue Service.

For any month in which specialized modeling software is used to perform services under this agreement, the following charges shall apply:

Power flow modeling - \$250 per month  
Short circuit modeling - \$775 per month  
OASIS Data - \$2,000 per month  
Market modeling - \$3,850 per month

Specialized software costs that exceed the above amounts may be billed with the prior approval of CITY's Project Manager.

Exhibit C



**Insurance Requirements for Consultant** The Consultant shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Consultant and any subcontractor performing work covered by this contract from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Consultant's operations under this contract, whether such operations be by Consultant or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

1. **COMPREHENSIVE GENERAL LIABILITY**  
\$1,000,000 Ea. Occurrence  
\$2,000,000 Aggregate
2. **COMPREHENSIVE AUTOMOBILE LIABILITY**  
Proof of coverage with limits not less than \$1,000,000 combined single limit
3. **PROFESSIONAL ERRORS AND OMISSIONS**  
Not less than \$1,000,000 per Claim.

NOTE: Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

NOTE: (1) The street address of the **CITY OF LODI** must be shown along with (a) and (b) above: 221 West Pine Street, Lodi, California, 95241-1910; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

- (a) **Additional Named Insured Endorsement**  
Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Employees, and Volunteers as additional named insureds.  
  
(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) **Primary Insurance Endorsement**  
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- (c) **Severability of Interest Clause**  
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (d) **Notice of Cancellation or Change in Coverage Endorsement**  
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

**Compensation Insurance** The Contractor shall take out and maintain during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240. A Waiver of Subrogation is required for Workers' Compensation insurance.

NOTE: No contract agreement will be signed nor will any work begin on a project until the proper insurance certificate is received by the City.

RESOLUTION NO. 2014-48

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING  
THE CITY MANAGER TO EXECUTE A PROFESSIONAL  
SERVICES AGREEMENT FOR TRANSMISSION GRID  
INTERTIE SUPPORT WITH FLYNN RCI

=====

WHEREAS, in August, 2011, the City Council approved a Professional Services Agreement (PSA) with Mike Keller Consulting LLC for transmission and distribution services; and

WHEREAS, this agreement was extended by the Council in September 2012 without increasing the net compensation; and

WHEREAS, the consultant completed the distribution services to the satisfaction of staff; and

WHEREAS, additional transmission services are needed, however the consultant informed staff when the funding for the existing PSA had been exhausted, he would like to terminate the contract, and the funds are scheduled to run out by the end of March 2014; and

WHEREAS, transmission services related to the 230 kV Interconnection Project are still needed; and

WHEREAS, staff interviewed three consultants for this work and now recommends executing a PSA with Flynn RCI in an amount not to exceed \$225,000; and

WHEREAS, the Risk Oversight Committee received a report on this agenda item and recommended City Council approval; and

WHEREAS, funding is available in FY Budget Account No. 161076.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a Professional Services Agreement with Flynn RCI, of Discovery Bay, for transmission grid intertie support in an amount not to exceed \$225,000.

Dated: April 2, 2014

=====

I hereby certify that Resolution No. 2014-48 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 2, 2014, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, Nakanishi, and Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL-OLSON  
City Clerk